

In re) Fair Hearing No. 15,984
)
Appeal of)

The petitioner appeals a decision of the Department of Social Welfare closing his Food Stamp grant due to excess resources.

1. The petitioner applied for Food Stamps earlier this year for himself and his family (which includes five children) and was found eligible for \$393 per month. Upon review, the Department determined that the petitioner had been granted Food Stamps in error because his resources were over the maximum limit. He was notified of this determination on May 5, 1999, which the petitioner appealed promptly, thereby avoiding a termination scheduled for June 1, 1999, pending the outcome of this hearing.

2. The petitioner's only resource is a 1998 Toyota Tacoma truck which has a Blue Book value of \$10,000. The petitioner uses the truck to commute to his job in a nearby factory. He bought the truck new last year for \$15,800 and makes payments of \$431 per month on it. He says he needs a new truck because he travels on muddy roads and needs something dependable. The petitioner claims he has already put over 60,000 miles on the car, has damaged it (dents and

a broken tail-light) and owes more (\$13,000) on the car than it is worth. The petitioner was given an extra week after the hearing to provide a new written appraisal of the truck's worth but failed to provide any new information even after the Department reminded him of that fact in a memo written to the hearing officer a month after the hearing.

3. The Department calculated the amount of the countable resource by deducting the allowable amount for a vehicle, \$4,650, from the \$10,000 value and then comparing the remainder, \$5,350, to a \$2,000 maximum limit. The petitioner was found to be \$3,350 over the maximum limit.

ORDER

The decision of the Department terminating the petitioner's Food Stamps is affirmed.

REASONS

Under the Food Stamp regulations, "the maximum allowable resource, including both liquid and non-liquid assets, of all members of the household shall not exceed \$2,000." F.S.M. § 273.8(b). Trucks and other vehicles are included as non-liquid assets and are valued according to the wholesale value of the "blue book" of the National Automobile Dealer's Association. F.S.M. 273.8(g). If a household feels that the blue book value should not apply to its vehicle, it "shall be given the opportunity to acquire

verification of the true value from a reliable source."

F.S.M. 273.8(g). After the value is determined, the portion of the value which exceeds \$4,650 "shall be attributed in full toward the household's resource level, regardless of any encumbrances on the vehicles." F.S.M. 273.8(h)(3).¹

Under this regulation, the Department was correct to have attributed the truck's value above \$4,650, in this case \$5,350, as a resource to the petitioner's family even though the truck was encumbered by a large unpaid balance. Since the resource regulations disqualify any group with more than \$2,000 in countable resources, the Department correctly found the petitioner and his family ineligible for Food Stamps.

The operation of this regulation is undoubtedly difficult for a family with so many mouths to feed particularly when there is almost no chance that this resource could be liquidated to provide money for food. The petitioner is again advised that if he can provide verification of the truck's true value from a reliable source showing that the vehicle is worth less than the blue book value he may be able to overcome this obstacle to his eligibility. Unless and until he does so, the Department's

¹ The entire value of a vehicle is excluded if it used for certain purposes such as to produce income (taxis, farm pick-up, etc.), for long distance travel (other than daily commuting); as a home; to transport disabled persons; or to transport fuel and water to a home as its primary source of such. See F.S.M. Sec. 273.8(h)(1). None of these exclusions is applicable in this case.

decision must be upheld as it is supported by the facts and its own regulations. 33 V.S.A. § 3091(d), Fair Hearing Rule No. 17.

#